

EXHIBIT E



One Tower Square
Hartford, CT 06183

Dear Employee:

Travelers is a company that, since 1894, has carved out a reputation for both excellence and innovation. We have maintained our leadership position as a result of our outstanding people and dedication to quality products and customer service. Our aim is to be the very best property casualty company, and the employer of choice. An important part of achieving this goal is the development and publication of our human resources policies and programs which support the needs of our employees while remaining consistent with and supporting Travelers' business goals and requirements.

We are pleased to provide you with the revised and updated Travelers Property Casualty Corp. Employee Handbook, which is effective as of January 1, 1998. This handbook applies to all employees of Travelers Property Casualty Corp. We hope that the information included in this handbook will give you insight into our business practices, policies, expectations and philosophy. This handbook is designed to provide you with a useful tool to help you with day-to-day questions. We suggest you keep it at your desk for easy reference.

The information in this handbook is distributed as a matter of information only and we expressly reserve the right to change any of our policies at any time except the Employment Arbitration Policy, which has special provisions. This handbook, dated January 1, 1998, supersedes all previous handbooks. If you have any questions pertaining to the interpretation or application of any information in this handbook, please discuss them with your Manager or your Human Resources Representative.

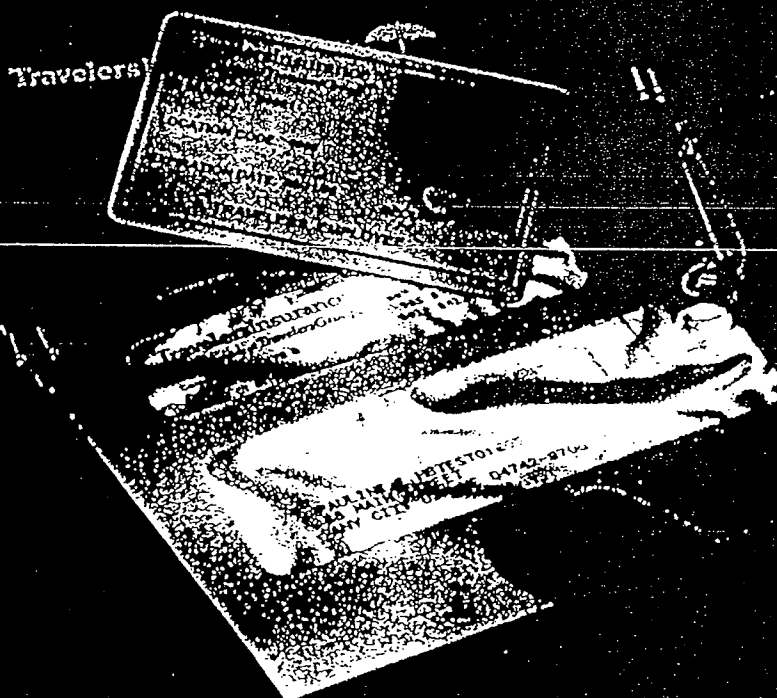
We hope you will be an active participant in helping us build a great company.

Doug Willett
Senior Vice President
Property Casualty Human Resources

TRAVELERS PROPERTY CASUALTY

Highlights

YOUR WORK LIFE



A

Handbook

For Employees

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Introduction



One of Travelers' strengths is that we are a group of different companies in different marketplaces. Our diversity is important in minimizing risk, as each industry operates in its own business cycle. However, the Travelers companies also work together by sharing channels of distribution, making it efficient to get our products to customers and clients. Therefore, it is important that employees understand how their own company relates to the rest of Travelers Group. The following are addressed in this section:

1. About the Parent Company
2. How You Can Contribute to Our Success
3. Principles of Employment



1. *About the Parent Company--Part of an even bigger picture.*

Travelers Property Casualty and Travelers Life & Annuity are subsidiaries of Travelers Group, a diversified financial services company serving the financial needs of over 20 million clients. Travelers Group is comprised of six companies, operating in three primary business segments, each among the leaders in their respective business areas.

Insurance Services includes three companies: Travelers Property Casualty Corp, the largest insurer of autos and homes among independent agency companies nationwide and the third largest writer of commercial insurance in the country. Travelers Life & Annuity is among the country's leading providers of annuities, long term care and life insurance. Primerica Financial Services is the leading underwriter of term life insurance in North America.

Investment Services, which consists of Salomon Smith Barney, is the country's second largest securities brokerage firm and provides brokerage, investment banking and asset management services to corporations, governments and individuals world wide.

Consumer Financial Services offers a variety of consumer loan products through Commercial Credit, one of the most profitable consumer lenders in the country, and Travelers Bank, a Delaware-based credit card bank that markets to affinity groups.

2. *How You Can Contribute:*

To reach our goal of being the finest financial services company, we all have to work together, constantly looking for ways to do our jobs better and more efficiently. Naturally, we hope you will be an active participant in that process, and

that you will contribute significantly to the Travelers family. To that end, we expect that you will:

- *Strive for superior performance in order to increase shareholder value.*
- *Continually search for ways to increase your contributions toward achieving the Company's goals.*
- *Develop the skills and knowledge you need for your present job and for future growth with Travelers Group.*
- *Accept responsibility for everything you do and for which you are accountable.*
- *Promote a positive image for Travelers Group whenever you deal with customers, the community at large, and your fellow employees.*
- *Cooperate with your co-workers to achieve the Company's goals with maximum efficiency.*
- *Abide by, and support, all Travelers Group policies.*
- *Communicate effectively and openly with co-workers at all levels.*

3. *Principles of Employment*

As you consider your employment by a member of Travelers Group Inc., there are certain matters which we want to clarify.

First, by accepting our offer of employment, you agree to observe the policies which we publish from time to time for employees. These include maintaining the highest standards of conduct and acting within the highest ethical principles. You agree to avoid doing anything which may be a conflict of interest with your responsibilities as an employee. These expectations are included in this Employee Handbook, Travelers

Group Statement of Business Practices, Travelers Group Dispute Resolution Procedure, and Travelers Group Employment Arbitration Policy, all of which are enclosed for your reference in the Appendix. Remember - it is your responsibility to read and understand these policies and expectations. If you have any questions, now or in the future, please ask.

Second, you must agree never to use (except when necessary in your employment with us) nor disclose to anyone not affiliated with Travelers Group Inc., or its affiliates, any confidential or unpublished information you obtain as a result of your employment with us. This applies both while you are employed with us and after that employment ends. If you leave our employ, you may not retain or take with you any writing or other record which relates to the above.

Third, your employment with us requires your full attention. Any invention, development or improvement made by you during the time you are employed by us which pertains to our business belongs to us and you agree to assign any interest you have in these things to us upon our request.

Fourth, you agree to follow our dispute resolution/arbitration procedures for employment disputes. While we hope that disputes with our employees will never arise, we want them resolved promptly if they do.

These procedures include all employment disputes (including termination of employment) that you might have with Travelers Group Inc. These include, but are not limited to, all claims, demands or actions under Title VII of the Civil Rights Act of 1964, Civil Rights Act of 1866, Civil Rights Act of 1991, the Age

Discrimination in Employment Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974, and all amendments to the aforementioned, any other federal, state or local statute or regulation regarding employment, discrimination in employment, the terms and conditions of employment, or the termination of employment, and the common law of any state.

These procedures do not preclude us from taking disciplinary actions (including terminations) at any time, but if you dispute those actions, we both agree that the disagreement will be resolved through this process.

Our procedures are divided into two parts. First, an internal dispute procedure, the "Dispute Resolution Procedure," which allows you to seek review of any decision regarding your employment or termination of your employment which you think is unfair.

Second, in the unusual situation when this procedure does not fully resolve an employment related dispute, and the dispute is based upon legally protected rights, you and we agree to waive any applicable statute of limitations and to submit the dispute, within one year of the date it arose, to binding arbitration before the arbitration facilities of the American Arbitration Association ("AAA") in accordance with the arbitration rules of that body then in effect and as supplemented by Travelers Group Employment Arbitration Policy. A detailed description of these procedures is enclosed for your review.

Again, it is your responsibility to read and understand the dispute resolution/ arbitration procedures. If you have any questions, now or in the future, please ask.

Fifth, nothing herein constitutes a contract of employment for a definite period of time. The employment relationship is "at-will" which affords either party the right to terminate the relationship at any time for any reason or no reason not otherwise prohibited by applicable law. Travelers Group retains the right to decrease an employee's compensation and/or benefits, transfer or demote an employee, or otherwise change the terms or conditions of any employee's employment with the Company.

We believe these matters are important, to you as an employee and to us as an employer. Your acceptance of our job offer is your acceptance of the aforementioned provisions.

Appendix "B"

Travelers Internal Dispute Resolution Procedure

Travelers is committed to fair and equitable employment practices. We recognize that misunderstandings or conflicts can and do arise in the course of daily business relationships. While most situations resolve themselves naturally, there are times when an employee may wish to seek review of an employment-related action or decision. The Dispute Resolution Procedure is an impartial process by which employees may request resolution of any employment-related concern.

■ Step 1

Employees are encouraged to first discuss informally any concern they have with their immediate manager prior to initiating a formal review. However, if this discussion is not successful from the employee's point of view, the concern should be submitted in writing within thirty (30) calendar days of the incident to their manager with a copy to their Human Resources Representative. The manager has twenty (20) working days to investigate the claim and respond to the employee in writing.

■ Step 2

If the employee is not satisfied with the response in Step 1, he/she may submit an appeal to the next level manager within ten (10) working days of receiving an answer from Step 1, with a copy to the Human Resources Representative. A written response is given to the employee within twenty (20) working days after the discussion.

■ Step 3

If the employee is not satisfied with the response in Step 2, he/she may submit an appeal to the appropriate Senior Manager in the business unit within ten (10) working days of receiving an answer from step 2, with a copy to the Senior Human Resources Manager in the business unit. The Senior Manager will consult with the Senior Human Resources Manager. At the conclusion of this step, the parties shall agree that all facts, evidence, information, etc. relating to the dispute have been brought forward. The Senior Manager shall issue a written response to the employee within twenty (20) working days after the discussion.

■ **Step 4**

If the employee is not satisfied with the response in Step 3, he/she may submit an appeal to the Senior Vice President, Corporate Human Resources, Travelers Property Casualty Corp. within ten (10) working days of receiving an answer from Step 3.

The employee will receive a written response within twenty (20) working days from receipt of the appeal. This step is the final level of appeal in the internal Dispute Resolution Procedure.

If the dispute is still not resolved after Step 4, and the claim is based upon legally protected rights (i.e. statutory, contractual or common law rights), the employee is entitled to request arbitration in accordance with the Travelers Group Arbitration Policy. Disputes which are not covered by the Employment Arbitration Policy are any claims that an employee or former employee may have regarding worker's compensation, unemployment compensation benefits or claims Travelers Group may have regarding unpaid debts to Travelers Group Inc. or its subsidiaries, unauthorized disclosure of trade secrets or confidential information of Travelers Group.

■ **Termination**

An employee may appeal a termination within thirty (30) calendar days. The appeal will automatically progress to Step 3 of the process.

■ **Field Operations**

At times it may be impractical to arrange face-to-face meetings within the specified time limits of the program. In these circumstances, the Employee Relations Unit may make modifications to the process as necessary and appropriate.

■ **Exceptions**

The existing procedures for reporting alleged incidents of sex discrimination (including sexual harassment), racial discrimination, age discrimination, disability discrimination and other illegal forms of discrimination will remain in place to provide the maximum confidentiality and privacy. Such complaints may be raised directly to the department Human Resources Representative or to Employee Relations at (860) 277-5582.

■ **Additional Information**

This internal Dispute Resolution Procedure is a sequential process which stops whenever the individual bringing forward a perceived problem accepts a decision at one of the interim steps. Decisions concerning terminations, promotions and disciplinary actions are typical types of issues raised. This process ensures

prompt, confidential resolution of such issues. Employees who wish to avail themselves of the process will not be subject to any retaliatory action by management. **NO DISCIPLINARY ACTION OR OTHER MANAGEMENT DECISION WILL BE POSTPONED AS A RESULT OF THE PRESENTATION OF A DISPUTE BY THE EMPLOYEE.**

Manager levels and titles will be clarified by your individual operating unit.

The Dispute Resolution Procedure does not constitute, nor should be construed to constitute, a waiver by Travelers Group of its rights under the "employment at will" doctrine; nor does it afford employees or former employees any rights or remedies that individuals do not otherwise have under applicable law.

FOR FURTHER INFORMATION AND DISPUTE RESOLUTION PROCEDURE FORMS, PLEASE CONTACT YOUR HUMAN RESOURCES REPRESENTATIVE.

TRAVELERS GROUP

EMPLOYMENT ARBITRATION POLICY

STATEMENT OF INTENT

Travelers Group Inc. and its operating companies and affiliates (referred to singularly and collectively as "Travelers Group") value each of its employees and look forward to good relations with, and among, all employees. Occasionally, however, disagreements may arise between an individual employee and Travelers Group, or between employees in a context that involves Travelers Group. Travelers Group believes that the resolution of such disagreements will be best accomplished by internal dispute resolution and, where that fails, by arbitration conducted under the auspices of the American Arbitration Association. For these reasons, Travelers Group has adopted this Employment Arbitration Policy ("the Policy"). The Policy applies to all persons employed by Travelers Group, other than Salomon Smith Barney, on the date of its adoption (September 1, 1992) and all employees joining Travelers Group after that date. A separate arbitration policy applies to the employees and former employees of Salomon Smith Barney.

This Policy does not constitute a guarantee that your employment will continue for any specified period of time or end only under certain conditions. Employment at Travelers Group is a voluntary relationship for no definite period of time, and nothing in this Policy or any other company document constitutes an express or implied contract of employment for any definite period of time. This policy does not constitute, nor should be construed to constitute, a waiver by the Travelers Group of its rights under the "employment-at-will" doctrine; nor does it afford an employee or former employee any rights or remedies that the employee or former employee does not otherwise have under applicable law.

SCOPE OF THE POLICY

The Policy makes arbitration the required, and exclusive, forum for the resolution of all employment disputes based on legally protected rights (i.e., statutory, contractual or common law rights) that may arise between an employee or former employee and the Travelers Group or its affiliates, officers, directors, employees and agents (and which are not resolved by the internal dispute resolution procedure), including claims, demands or actions under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Age Discrimination in Employment Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974, and all amendments thereto, and any other federal, state or local statute, regulation or common law doctrine, regarding employment discrimination, conditions of employment or termination of employment.

The only disputes not covered by the Policy are claims that an employee, or former employee, may have regarding workers' compensation, unemployment compensation benefits or claims Travelers Group may have regarding unpaid debts to Travelers Group, unauthorized disclosure of trade secrets or confidential information of Travelers Group. The Policy does not exclude the National Labor Relations Board from jurisdiction over disputes covered by the National Labor Relations Act. Similarly, this Policy does not exclude the jurisdiction of the Equal Employment Opportunity Commission, and/or state and local human rights agencies to investigate alleged violations of the civil and human rights statutes.

This Policy does not require that Travelers Group institute arbitration nor is it required to follow the steps of the dispute resolution procedure before taking disciplinary action of any kind, including termination; however, if an employee disagrees with any such disciplinary action, and believes that such action violated his or her legally protected rights, he or she may institute proceedings in accordance with the Policy. The results of the arbitration process are final and binding.

Certain Travelers Group employees or former employees are subject to the arbitration requirements of the National Association of Securities Dealers, Inc. ("NASD"). This arbitration policy applies to any such person only to the extent that (i) Travelers Group waives its right to compel arbitration of such person's claim(s) to NASD arbitration, (ii) such person's claim(s) are not eligible for submission to NASD arbitration, or (iii) the NASD declines to accept such person's claim(s) for arbitration.

ARBITRATION RULES AND PROCEDURES

The following rules and procedures are based on, and largely incorporate, the Employment Dispute Resolution Rules of the American Arbitration Association ("AAA"). Travelers Group has modified and expanded these rules and procedures in certain respects. In particular, provisions regarding fees and costs have been modified to provide that many of the costs typically shared by the parties will be borne by Travelers Group. In addition, provisions permitting limited discovery have been added to insure equal access to relevant information.

1. Initiation of Arbitration Proceeding

To initiate arbitration you must send a written demand for arbitration with a check payable to the AAA for the requisite filing fee as provided in the AAA's fee schedule to the Senior Vice President, Human Resources, Travelers Group. The AAA's fee schedule is available from the Human Resources Department. However, employees whose total compensation (inclusive of salary, overtime, bonuses, or other incentive compensation) for the previous calendar year was \$100,000 or less (or former employees whose total compensation for the last calendar year they were a Travelers Group employee was \$100,000 or less inclusive of salary, overtime, bonuses, or other incentive compensation) need only submit a check for \$50 payable to the Travelers Group. Travelers Group will pay the remainder of the filing fee.

The demand shall set forth the claim, including the alleged act or omission at issue and the names of all persons involved in the act or omission. Within ten (10) business days of receiving such demand, Travelers Group shall file the demand with the appropriate office of the AAA. Both Travelers Group and the employee, or former employee, will be required to sign a submission agreement.

2. Appointment of Neutral Arbitrator

The AAA shall appoint one neutral arbitrator from its Panel of Arbitrators, unless one party requests that a panel of three (3) arbitrators be appointed. In the event a panel of arbitrators is appointed, all decisions of the panel must be by a majority and the use of the word "arbitrator" in these Rules shall refer to the panel. It is the intent of Travelers Group that the arbitrators be diverse, experienced and knowledgeable with respect to employment related claims.

The arbitrator shall be appointed in the following manner:

- (a) immediately after the filing of the demand, the AAA shall submit to each party an identical list of proposed arbitrators;
- (b) each party shall then have ten (10) business days from the mailing date of the list to cross off any two (2) names to which the party objects, number the remaining names in order of preference and return the list to the AAA;
- (c) if the party does not return the list within the time specified, all persons on the list shall be deemed acceptable; and
- (d) the AAA shall invite arbitrators remaining on the list in the order of preference, to the extent the order of preference of the parties can be reconciled by the AAA.

In the event the parties fail to agree on any of the persons named, or if an acceptable arbitrator is unwilling to act, the AAA shall issue additional lists.

3. Qualifications of Neutral Arbitrator

No person shall serve as a neutral arbitrator in any matter in which that person has any financial or personal interest in the result of the proceeding. Prior to accepting appointment, the prospective arbitrator shall disclose any circumstance likely to prevent a prompt hearing or to create a presumption of bias. Upon receipt of such information, the AAA will either replace that person or communicate the information to the parties for comment. Thereafter, the AAA may disqualify that person and its decision shall be conclusive. Vacancies shall be filled in accordance with Rule number 2.

4. Vacancies

The AAA is authorized to substitute another arbitrator if a vacancy occurs or if an appointed arbitrator is unable to serve promptly.

Date, Time and Place of Hearing

The arbitrator shall set the date, time and place of the hearing, notice of which must be given to the parties by the AAA at least ten days in advance, unless the parties agree otherwise.

6. Representation

Any party may be represented by an attorney, a non-supervisory co-worker or by him or herself. If an employee or former employee chooses not to be represented by an attorney, Travelers Group shall waive its right to be represented by an attorney unless such person is or was licensed to practice law in any jurisdiction in the United States.

7. Attendance at Hearing

The arbitrator shall maintain the privacy of the hearings unless the law provides to the contrary. Any person having a direct interest in the arbitration is entitled to attend hearings. The arbitrator shall otherwise have the power to require the exclusion of any witness, other than a party or other essential person, during the testimony of any other witness. The arbitrator shall determine whether any other person may attend the hearing.

8. Postponement

The arbitrator, for good cause shown, may postpone any hearing upon the request of a party or upon the arbitrator's own initiative, and shall also grant such postponement when all of the parties agree thereto.

9. Oaths

Before proceeding with the first hearing, each arbitrator may take an oath of office and, if required by law, shall do so. The arbitrator may require witness to testify under oath administered by any duly qualified person and, if it is required by law or requested by any party, shall do so.

10. Stenographic Record

There shall be no stenographic record of these proceedings unless either party requests it. In the event a party requests a stenographic record, that party shall bear the cost of such a record. If both parties request a stenographic record, the cost shall be borne equally by the parties.

11. Proceedings

The hearings shall be conducted by the arbitrator in whatever manner will most expeditiously permit full presentation of evidence and arguments of the parties. Normally, the hearing shall be completed within one day. In unusual circumstances and for good cause shown, the arbitrator may schedule an additional hearing to be held within five business days.

Arbitration in the Absence of a Party

Unless the law provides to the contrary, the arbitration may proceed in the absence of any party or representative who, after due notice, fails to be present or fails to obtain a postponement. An award shall not be made solely on the default of a party. The arbitrator shall require the party who is present to submit such evidence as the arbitrator may require for the making of the award.

13. Discovery

Each party shall be entitled to propound and serve upon the other party one set of interrogatories in a form consistent with the Federal Rules of Civil Procedure and which shall be limited to the identification of potential witnesses. Each party shall be entitled to propound and serve upon the other one set of Requests for the Production of Documents in a form consistent with the Federal Rules of Civil Procedure and which shall be limited in number to twenty-five (25) Requests (including sub-parts, which shall be counted separately). However, if a party shows substantial need, the arbitrator can order further discovery.

14. Evidence

The arbitrator shall be the judge of the relevance and materiality of the evidence offered, and conformity to legal rules of evidence shall not be necessary.

15. Evidence by Affidavit and Filing of Documents

The arbitrator may receive and consider the evidence of witnesses by affidavit, but shall give it only such weight as the arbitrator deems it entitled to after consideration of any objection made to its admission. All documents to be considered by the arbitrator shall be filed at the hearing.

16. Closing of Hearing

The arbitrator shall ask whether the parties have any further proof to offer or witnesses to be heard. Upon receiving negative replies, or if satisfied that the record is complete, the arbitrator shall declare the hearing closed and the minutes thereof shall be recorded.

17. Reopening of Hearing

The hearing may be reopened on the arbitrator's initiative, or upon application of a party, at any time before the award is made. The arbitrator may reopen the hearing and shall have fourteen (14) days from the closing of the reopened hearing within which to make an award.

18. Waiver of Procedures

Any party who proceeds with the arbitration after knowledge that any provision or requirement of these procedures has not been complied with, and who fails to state objections thereto in writing, shall be deemed to have waived the right to object.

Time of Award

The award shall be made promptly by the arbitrator unless otherwise agreed by the parties or specified by law. The arbitrator shall be instructed to make the award within thirty (30) days of the hearing or as soon as possible thereafter.

20. Award

- A. **Form.** The award shall be in writing and shall be signed by the arbitrator. If either party requests, the arbitrator shall issue an opinion in writing, which shall set forth in summary form the reasons for the arbitrator's determination. All awards shall be executed in the manner required by law.
- B. **Scope of Relief.** The arbitrator shall be governed by applicable federal law and, if applicable, by the rule of law of the state where the employee worked as submitted by the parties. Furthermore, the arbitrator shall be bound by Travelers Group policies and procedures and shall not have the authority to alter or otherwise modify the parties at will relationship or substitute his or her judgment for the lawful business judgment of the Travelers Group management. The arbitrator shall have the authority to award compensatory damages and injunctive relief to the extent permitted by applicable law. The arbitrator shall not have the authority to award punitive or exemplary damages or attorneys' fees except where expressly provided for by applicable statute (e.g., punitive damages under the Civil Rights Act of 1991). The arbitrator shall not have the authority to make any award that is arbitrary and capricious or to award to Travelers Group the costs of the arbitration that it is otherwise required to bear under this policy.

21. Delivery of Award to Parties

Parties shall accept as legal delivery of the award the placing of the award or a true copy thereof in the mail, addressed to a party or its representative at the last known address via certified mail, return receipt; personal service of the award; or the filing of the award in any manner that is permitted by law.

22. Enforcement

The decision of the arbitrator may be enforced under the terms of the Federal Arbitration Act (Title 9 U.S.C.) and/or under the law of any state to the maximum extent possible. If the decision is not completely enforceable, final and binding, it shall be enforced and binding on both parties to the extent permitted by law. Even if a part of this procedure is held to be void or unenforceable, the remainder of the procedure will be enforceable and any part may be severed from the remainder, as appropriate.

23. Judicial Proceedings and Exclusion of Liability

- A. Neither the AAA nor any arbitrator in a proceeding under these procedures is a necessary party in judicial proceedings relating to the arbitration.
- B. Parties to these procedures shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.

24. Expenses and Fees

Unless otherwise precluded by applicable law, expenses and fees shall be allocated as follows:

- a) **Filing Fees.** Travelers Group shall pay 100% in excess of Fifty Dollars (\$50.00) of any filing fee required by the AAA for an employee whose total compensation for the prior calendar year (or the last full calendar year for which a former employee was employed) was \$100,000 or less, inclusive of salary, overtime, bonuses or other incentive compensation.
- b) **Hearing Fees and Arbitrator Fees.** Travelers Group shall pay 100% of the hearing fee and arbitrator fee for the first hearing day. Hearing fees and arbitrator fees for subsequent hearing days, if any, shall be borne equally by the parties;
- c) **Postponement/Cancellation Fees.** Postponement and cancellation fees shall be payable by the party causing the postponement or cancellation;
- d) **Other Expenses.** The expenses of witnesses shall be paid by the party requiring the presence of such witnesses. All other ordinary and reasonable expenses of the arbitration, including hearing room expenses, travel expenses of the arbitrator, AAA representatives, and any witness produced at the arbitrator's direction, shall be paid completely by the Travelers Group; and
- e) **Legal Fees and Expenses.** Each side shall pay its own legal fees and expenses subject to Paragraph 20 (B) above.

The allocation of expenses as provided for in items (a) through (d) may not be disturbed by the arbitrator except where the arbitrator determines that a party's claims were frivolous or were asserted in bad faith.

25. Serving of Notice

Any parties, notices, or process necessary or proper for the initiation or continuation of an arbitration under these procedures; for any court action in connection therewith; or for the entry of judgment on an award made under these procedures may be served on a party by mail addressed to the party or its representative at the last known address or by personal service, in or outside the state where the arbitration is to be held, provided that reasonable opportunity to be heard with regard thereto has been granted to the party. The AAA and the parties may also use facsimile transmission, telex, telegram, or other written forms of electronic communication to give the notices required by these procedures, provided that such notice is confirmed by the telephone or subsequent mailing to all affected parties.

26. Time Period for Arbitration

Any proceeding under this procedure must be brought within the time period provided for within the statutes(s) of limitations applicable to the causes of action asserted by the claimant.

27. Amendment or Termination of Arbitration Policy

Travelers Group reserves the right to revise, amend or modify the Policy at any time in its sole discretion. Such amendments may be made by publishing them in the Employee

Handbook or by a separate release to employees and shall be effective 30 days after such amendments are provided to employees. Your continuation of employment after receiving such amendments shall be deemed acceptance of the amended terms.

28. Interpretation and Application of Procedure

The arbitrator shall interpret and apply these procedures insofar as they relate to the arbitrator's powers and duties. All other procedures shall be interpreted and applied by the AAA.

Helpful Telephone Numbers

Business Travel Services

American Express:
Home Office - (860) 277-2713
Field Office - (800) 242-2286
Conference Services:
(860) 277-1581
Expense Questions:
(860) 277-5081
Policy Questions: (860) 277-5893

Computers Information Systems Security:

277-5477, (860) 277-5321,
(860) 277-4681
Network Assistance:
(860) 422-3000

Corporate Security (Home Office):

Emergency: (860) 277-2000
General Information
(860) 277-3011
Hearing Impaired TDD users:
(860) 954-0531
Escort Service - Home Office
(860) 277-3011
Location: 1GS

Department Human Resources Representative:

(See your Manager)
Name: _____
Phone: _____
Location: _____

Department Payroll Representative (DPR):

(Listed on your paystub)
Name: _____
Phone: _____
Location: _____

Employee Assistance Program (EAP):
(800) 954-1245

Employee Health Services (Home Office):
Phone: (860) 954-5766
Location: Home Office, 4GS

Employee Insurance and Financial Products - Travelers Group Exchange:
(800) 842-5525

Employee Relations:
Phone: (860) 277-5582

Fire Evacuation:
(Home Office):
Phone: (860) 277-3614

Health and Safety Issues:
Phone: (860) 277-7238

Home Office Operator:
Phone: (860) 277-0111
Location: One Tower Square
Hartford, CT 06183

Employee Infoline:
Phone: 1-800-842-8597

Internal Security:
(860) 277-8765 or 277-2538
1-800-437-2834

Cigna Disability:
Phone: 1-800-532-9288

Medical Emergency:
(Home Office):
Phone: (860) 277-2000

Parking Action Line (Home Office):
Phone: (860) 954-2890
Location: One Tower Square
Hartford, CT 06183

Employee Benefits - Passport Action Line
Phone: (800) 842-1141
TDD Users: (800) 842-3715
Location: One Tower Square
Corporate Benefits - 1PB
Hartford, CT 06183

Personnel System Coordinator:
(See your Manager)
Name: _____
Phone: _____
Location: _____

Employment Verification:
Phone: (860) 954-3908
Location: One Tower Square
Payroll - 4PB,
Hartford, CT 06183

Sexual Harassment:
(See your Manager, Human Resources Representative) or call:
Employee Relations
(860) 277-5582

Taking Care Program (Home Office):
Phone: (860) 242-2201
Location: Home Office,
LL1-State House Square

Travelers Volunteer Incentive Program:
(212) 816-8885

Work Place Injuries (Claim Reporting):
Phone: (860) 277-4484
1-800-842-8586

EXHIBIT F

HR Inform
08/30/2001 07:24 PM

Sent by: Massmail

To:
CC: and BCC: fields are in this section - must be expanded to print
Subject: Revised Employee Handbook

HR INFORM

To: All Travelers Employees
From: Doug Willett, SVP, Human Resources
Date: August 30, 2001
Re: Revised Employee Handbook

"Your Work Life," the new Travelers Employee Handbook, is in the process of being distributed to our entire employee population, both in the home office and field locations.

The handbook has been updated to reflect changes at the Citigroup level, as well as to include updates to the arbitration policy. The arbitration policy changes include:

- Fees and cost of arbitration will now generally be paid by Travelers.
- Provisions have been added which will help insure equal access to relevant information.

Other changes are:

- The addition of domestic partners to the definition of family members.
- A new, expanded policy on use of company communications systems, including the internet.
- Business casual dress guidelines.
- Guidelines on the safe use of technology such as cellular phones and laptop computers.

Please make sure you read the handbook, particularly the updated arbitration policy beginning on page 65.

The handbook provides much of the information you need concerning Travelers policies, programs and practices. If you have any further questions, please contact your manager or Human Resources Representative. Please remember to return the Employee Handbook Receipt Form to the address indicated.

Thank you.

TRAVELERS

YOUR WORK LIFE

A Guide to Policies, Programs and Practices

Lead. By example.

A HANDBOOK

FOR EMPLOYEES

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1. About the Parent Company--Part of an even bigger picture.

Travelers Insurance is a member of Citigroup--the world's largest financial services company, serving the needs of more than 100 million customers in 100 countries. Citigroup is comprised of many businesses operating in three major areas:

The Global Consumer Group includes Citibanking North America, Mortgage Banking, North American Cards, CitiFinancial, Travelers Life & Annuity, Primerica, Travelers Property Casualty Personal Lines, International, and e-Consumer. The Hartford-based insurance operations are Travelers Property Casualty, the largest insurer of autos and homes among independent agency companies nationwide, and Travelers Life & Annuity, one of the country's leading providers of annuities and life insurance.

The Global Corporate and Investment Bank consists of Salomon Smith Barney, The Global Relationship Bank, Emerging Markets, and Travelers Property Casualty Commercial Lines.

Global Investment Management and Private Banking includes Citigroup Asset Management and The Citigroup Private Bank.

2. How You Can Contribute:

To reach our goal of being the finest financial services company, we all have to work together, constantly looking for ways to do our jobs better and more efficiently. Naturally, we hope you will be an active participant in that process, and that you will contribute significantly to the Travelers family. To that end, we expect that you will:

- Strive for superior performance in order to increase shareholder value.
- Continually search for ways to increase your contributions toward achieving the Company's goals.
- Develop the skills and knowledge you need for your present job and for future growth with Citigroup.
- Accept responsibility for everything you do and for which you are accountable.
- Promote a positive image for Citigroup whenever you deal with customers, the community at large, and your fellow employees.
- Cooperate with your co-workers to achieve the Company's goals with maximum efficiency.
- Abide by, and support, all Citigroup policies.
- Communicate effectively and openly with co-workers at all levels.

3. Principles of Employment

As you consider your employment by Travelers, there are certain matters which we want to clarify.

First, by accepting our offer of employment, you agree to observe the policies which we publish from time to time for employees. These include maintaining the highest standards of conduct and acting within the highest ethical principles. You agree to avoid doing anything which may be a conflict of interest with your responsibilities as an employee. These expectations are included in this Employee Handbook, Citigroup Statement of Business Practices, Travelers Dispute Resolution Procedure, and Travelers Insurance Employment Arbitration Policy.

Remember - it is your responsibility to read and understand these policies and expectations. If you have any questions, now or in the future, please ask.

Second, you must agree never to use (except when necessary in your employment with us) nor disclose to anyone not affiliated with Citigroup, or its affiliates, any confidential or unpublished information you obtain as a result of your employment with us. This applies both while you are employed with us and after that employment ends. If you leave our employ, you may not retain or take with you any writing or other record which relates to the above.

Third, your employment with us requires your full attention. Any invention, development or improvement made by you during the time you are employed by us which pertains to our business belongs to us and you agree to assign any interest you have in these things to us upon our request.

Fourth, you agree to follow our dispute resolution/arbitration procedures for employment disputes. While we hope that disputes with our employees will never arise, we want them resolved promptly if they do.

These procedures include all employment disputes (including termination of employment) that you might have with Travelers. These include, but are not limited to, all claims, demands or actions under Title VII of the Civil Rights Act of 1964, Civil Rights Act of 1866, Civil Rights Act of 1991, the Age Discrimination in Employment Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974, and all amendments to the aforementioned, any other federal, state or local statute or regulation regarding employment, discrimination in employment, the terms and conditions of employment, or the termination of employment, and the common law of any state.

These procedures do not preclude us from taking disciplinary actions (including terminations) at any time, but if you dispute those actions, we both agree that the disagreement will be resolved through this process.

Our procedures are divided into two parts:

1. An internal dispute procedure, the "Dispute Resolution Procedure," which allows you to seek review of any decision regarding your employment or termination of your employment which you think is unfair.
2. In the unusual situation when this procedure does not fully resolve an employment related dispute, and the dispute is based upon legally protected rights, you and we agree to waive any applicable statute of limitations and to submit the dispute, within one year of the date it arose, to binding arbitration before the arbitration facilities of the American Arbitration Association ("AAA") in accordance with the arbitration rules of that body then in effect and as supplemented by Travelers Employment Arbitration Policy. A detailed description of these procedures is enclosed for your review. (See Appendix B.)

Again, it is your responsibility to read and understand the dispute resolution/arbitration procedures. If you have any questions, now or in the future, please ask.

Appendix A

Travelers Internal Dispute Resolution Procedure

Travelers is committed to fair and equitable employment practices. We recognize that misunderstandings or conflicts can and do arise in the course of daily business relationships. While most situations resolve themselves naturally, there are times when an employee may wish to seek review of an employment-related action or decision. The Dispute Resolution Procedure is an impartial process by which employees may request resolution of any employment-related concern.

■ Step 1

Employees are encouraged to first discuss informally any concern they have with their immediate manager prior to initiating a formal review. However, if this discussion is not successful from the employee's point of view, the concern should be submitted in writing within thirty (30) calendar days of the incident to their manager with a copy to their Human Resources Representative. The manager has twenty (20) working days to investigate the claim and respond to the employee in writing.

■ Step 2

If the employee is not satisfied with the response in Step 1, he/she may submit an appeal to the next level manager within ten (10) working days of receiving an answer from Step 1, with a copy to the Human Resources Representative. A written response is given to the employee within twenty (20) working days after the discussion.

■ Step 3

If the employee is not satisfied with the response in Step 2, he/she may submit an appeal to the appropriate Senior Manager in the business unit within ten (10) working days of receiving an answer from step 2, with a copy to the Senior Human Resources Manager in the business unit. The Senior Manager will consult with the Senior Human Resources Manager. At the conclusion of this step, the parties shall agree that all facts, evidence, information, etc. relating to the dispute have been brought forward. The Senior Manager shall issue a written response to the employee within twenty (20) working days after the discussion.

■ **Step 4**

If the employee is not satisfied with the response in Step 3, he/she may submit an appeal to the Senior Vice President, Human Resources, within ten (10) working days of receiving an answer from Step 3.

The employee will receive a written response within twenty (20) working days from receipt of the appeal. This step is the final level of appeal in the internal Dispute Resolution Procedure.

If the dispute is still not resolved after Step 4, and the claim is based upon legally protected rights (i.e. statutory, contractual or common law rights), the employee is entitled to request arbitration in accordance with the Travelers Employment Arbitration Policy. The only disputes not covered by the Policy are claims that an employee or former employee may have regarding workers' compensation or unemployment compensation benefits. Nothing in this Policy shall prevent either party from seeking from any court of competent jurisdiction injunctive relief in aid of arbitration. The Policy does not exclude the National Labor Relations Board from jurisdiction over disputes covered by the National Labor Relations Act. Similarly, this Policy does not exclude the jurisdiction of the Equal Employment Opportunity Commission (the "EEOC") and/or state and local human rights agencies to investigate alleged violations of the laws enforced by the EEOC and/or these agencies.

■ **Termination**

An employee may appeal a termination within thirty (30) calendar days. The appeal will automatically progress to Step 3 of the process.

■ **Field Operations**

At times it may be impractical to arrange face-to-face meetings within the specified time limits of the program. In these circumstances, the Employee Relations Unit may make modifications to the process as necessary and appropriate.

■ **Exceptions**

The existing procedures for reporting alleged incidents of sex discrimination (including sexual harassment), racial discrimination, age discrimination, disability discrimination and other illegal forms of discrimination will remain in place to provide the maximum confidentiality and privacy. Such complaints may be raised directly to the department Human Resources Representative or to Employee Relations at (860) 277-5582.

■ **Additional Information**

This internal Dispute Resolution Procedure is a sequential process which stops whenever the individual bringing forward a perceived problem accepts a decision at one of the interim steps. Decisions concerning terminations, promotions and disciplinary actions are typical types of issues raised. This process ensures prompt, confidential resolution of such issues. Employees who wish to avail themselves of the process will not be subject to any retaliatory action by management. **NO DISCIPLINARY ACTION OR OTHER MANAGEMENT DECISION WILL BE POSTPONED AS A RESULT OF THE PRESENTATION OF A DISPUTE BY THE EMPLOYEE.**

Manager levels and titles will be clarified by your individual operating unit.

The Dispute Resolution Procedure does not constitute, nor should be construed to constitute, a waiver by Travelers of its rights under the "employment at will" doctrine; nor does it afford employees or former employees any rights or remedies that individuals do not otherwise have under applicable law.

FOR FURTHER INFORMATION AND DISPUTE RESOLUTION PROCEDURE FORMS, PLEASE CONTACT YOUR HUMAN RESOURCES REPRESENTATIVE.

Appendix B

TRAVELERS EMPLOYMENT ARBITRATION POLICY

STATEMENT OF INTENT

Travelers values each of its employees and looks forward to good relations with, and among, all of its employees. Occasionally, however, disagreements may arise between an individual employee and Travelers, or between employees in a context that involves Travelers. Travelers believes that the resolution of such disagreements will be best accomplished by internal dispute resolution and, where that fails, by arbitration conducted under the auspices of the American Arbitration Association. For these reasons, Travelers has adopted this Employment Arbitration Policy ("Policy"). The Policy applies to all persons employed by Travelers as of January 1, 2001 and all employees joining Travelers Insurance after that date.

This Policy does not constitute a guarantee that your employment will continue for any specified period of time or end only under certain conditions. Employment with Travelers is a voluntary relationship for no definite period of time and nothing in this Policy or any other company document constitutes an express or implied contract of employment for any definite period of time. This Policy does not constitute, nor should it be construed to constitute, a waiver by Travelers of its rights under the "employment-at-will" doctrine; nor does it afford an employee or former employee any rights or remedies not otherwise available under applicable law.

SCOPE OF THE POLICY

The Policy makes arbitration the required and exclusive forum for the resolution of all employment disputes based on legally protected rights (i.e., statutory, contractual or common law rights) that may arise between an employee or former employee and Travelers or its current and former parents, subsidiaries and affiliates and its and their current and former officers, directors, employees, and agents (and that are not resolved by the internal dispute resolution procedure), including without limitation claims, demands or actions under Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866 and 1991, the Age Discrimination in Employment Act of 1967, the Older Worker Benefit Protection Act of 1990, the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Fair Labor Standards Act of 1938, the Equal Pay Act of 1963, the Employee Retirement Income Security Act of 1974, and all amendments thereto, and any other federal, state or local statute, regulation or common law doctrine regarding employment discrimination, conditions of employment or termination of employment.

The only disputes not covered by the Policy are claims that an employee or former employee may have regarding workers' compensation or unemployment compensation benefits. Nothing in this Policy shall prevent either party from seeking from any court of competent jurisdiction

injunctive relief in aid of arbitration. The Policy does not exclude the National Labor Relations Board from jurisdiction over disputes covered by the National Labor Relations Act. Similarly, this Policy does not exclude the jurisdiction of the Equal Employment Opportunity Commission (the "EEOC") and/or state and local human rights agencies to investigate alleged violations of the laws enforced by the EEOC and/or these agencies.

This Policy does not require that Travelers institute arbitration, nor is it required to follow the steps of the dispute resolution procedure before taking disciplinary action of any kind, including termination.¹ However, if an employee disagrees with any such disciplinary action and believes that such action violated his or her legally protected rights, he or she may institute proceedings in accordance with the Policy. The results of the arbitration process are final and binding on the employee and Travelers Insurance.

Certain employees or former employees are subject to the arbitration requirements of the National Association of Securities Dealers, Inc. ("NASD") or the New York Stock Exchange, Inc. ("NYSE"). This Policy applies to any such person only to the extent that (i) Travelers waives its right to compel arbitration of such person's claim(s) to NASD or NYSE arbitration, (ii) such person's claim(s) are not eligible for submission to NASD or NYSE arbitration, or (iii) the NASD or NYSE declines to accept such person's claim(s) for arbitration.

ARBITRATION RULES AND PROCEDURES

The following rules and procedures are based on, and largely incorporate, the Employment Dispute Resolution Rules (the "Rules") of the American Arbitration Association (the "AAA"). Travelers Insurance has modified and expanded these rules and procedures in certain respects. In particular provisions regarding fees and costs have been modified to provide that many of the costs typically shared by the parties will be borne by Travelers. In addition, provisions permitting limited discovery have been added to insure equal access to relevant information.

¹ Nothing in this provision shall be construed to negate the mutuality of this agreement to arbitrate, and Travelers explicitly agrees to arbitrate, pursuant to this Policy, any disputed disciplinary action after it has been taken.

1. Initiation of Arbitration Proceeding

To initiate arbitration you must send a written demand for arbitration to **W. Douglas Willett: Senior Vice President, Human Resources** of Travelers. The demand must be received by W. Douglas Willett within the time period provided by the statute of limitations applicable to the claim(s) set forth in the demand.

The demand shall set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute; the amount in controversy, if any; and the remedy sought. Within thirty (30) calendar days of receiving such demand, or as soon as possible thereafter, Travelers shall file the demand with the appropriate office of the AAA.

2. Appointment of Neutral Arbitrator

The AAA shall appoint one neutral, arbitrator from its Employment Dispute Resolution Roster unless both parties request that a panel of three (3) arbitrators be appointed. If the parties cannot agree upon the number of arbitrators, the AAA shall have the authority to determine the number of arbitrators. In the event a panel of arbitrators is appointed, all decisions of the panel must be by a majority and the use of the word "arbitrator" shall refer to the panel. It is the intent of Travelers that the prospective arbitrators be diverse, experienced, knowledgeable with respect to employment related claims, neutral, and duly qualified to serve as an arbitrator under the AAA's Rules.

The arbitrator shall be appointed in the following manner:

- (a) immediately after the filing of the demand, the AAA shall submit to each party an identical list of proposed arbitrators;
- (b) each party shall then have ten (10) business days from the mailing date of the list to cross off any two (2) names to which the party objects, number the remaining names in order of preference and return the list to the AAA;
- (c) if a party does not return the list within the time specified, all persons on the list shall be deemed acceptable to that party; and
- (d) the AAA shall invite the acceptance of the arbitrators remaining on the list in the order of preference specified by the parties to the extent the order can be reconciled by the AAA.

In the event the parties fail to agree on any of the persons named, or if an acceptable arbitrator is unwilling to act, the AAA shall issue additional lists.

3. Qualifications of Neutral Arbitrator

No person shall serve as a neutral arbitrator in any matter in which that person has any financial or personal interest in the result of the proceeding. Prior to accepting appointment the prospective arbitrator shall disclose any circumstance likely to prevent a prompt hearing or to create a presumption of bias. Upon receipt of such information, the AAA will either replace that person or communicate the information to the parties for comment. Thereafter, the AAA may disqualify that person and its decision shall be conclusive. Vacancies shall be filled in accordance with Paragraph 2 above.

4. Vacancies

The AAA is authorized to substitute another arbitrator if a vacancy occurs or if an appointed arbitrator is unable to serve promptly.

5. Proceedings

The hearing shall be conducted by the arbitrator in whatever manner will most expeditiously permit full presentation of evidence and arguments of the parties. The arbitrator shall set the date, time and place of the hearing, notice of which must be given to the parties by the AAA at least thirty (30) calendar days in advance unless the parties agree otherwise. In the event the hearing cannot reasonably be completed in one day, the arbitrator will schedule the hearing to be continued on a mutually convenient date.

6. Representation

Any party may be represented by an attorney or other representative (excluding any company supervisory employee) or by him or herself. For an employee or former employee without representation, the AAA will, upon request, provide reference to institutions which might offer assistance.

7. Confidentiality of and Attendance at Hearing

The arbitrator shall maintain the confidentiality of the hearings unless the law provides to the contrary. The arbitrator shall have the authority to exclude witnesses, other than a party, from the hearing during the testimony of any other witness. The arbitrator shall also have the authority to decide whether any person who is not a witness may attend the hearing.

8. Postponement

The arbitrator for good cause shown may postpone any hearing upon the request of a party or upon the arbitrator's own initiative, and shall also grant such postponement when all of the parties agree thereto.

9. Oaths

Before proceeding with the first hearing, each arbitrator may take an oath of office and, if required by law, shall do so. The arbitrator may require witness to testify under oath administered by any duly qualified person and, if it is required by law or requested by any party, shall do so.

10. Stenographic Record

There shall be no stenographic record of these proceedings unless either party requests it. In the event a party requests a stenographic record, that party shall bear the cost of such a record. If both parties request a stenographic record, the cost shall be borne equally by the parties.

11. Arbitration in the Absence of a Party

Unless the law provides to the contrary, the arbitration may proceed in the absence of any party or representative who, after due notice fails to be present or fails to obtain a postponement. An award shall not be made solely on the default of a party. The arbitrator shall require the party who is present to submit such evidence as the arbitrator may require for the making of the award.

12. Discovery

Each party shall be entitled to propound and serve upon the other party one set of interrogatories (limited to the identification of potential witnesses) and one set of requests for the production of documents in a form consistent with the Federal Rules of Civil Procedure. Upon the request of a party, the arbitrator may order further discovery consistent with the Rules of the AAA and the expedited nature of arbitration.

13. Pre-Hearing Motions

The arbitrator shall be authorized to consider and rule upon pre-hearing motions, including dispositive motions.

14. Evidence

The arbitrator shall be the judge of the relevance and materiality of the evidence offered and conformity to legal rules of evidence shall not be necessary.

15. Evidence by Affidavit and Filing of Documents

The arbitrator may receive and consider the evidence of witnesses by affidavit, but shall give it only such weight as the arbitrator deems it entitled to after consideration of any objection made to its admission. All documents to be considered by the arbitrator shall be filed at the hearing.

16. Closing of Hearing

The arbitrator shall ask whether the parties have any further proof to offer or witnesses to be heard. Upon receiving negative replies, or if satisfied that the record is complete, the arbitrator shall declare the hearing closed and the minutes thereof shall be recorded.

17. Reopening of Hearing

The hearing may be reopened on the arbitrator's initiative or upon application of a party, at any time before the award is made. The arbitrator may reopen the hearing and shall have fourteen (14) days from the closing of the reopened hearing within which to make an award.

18. Waiver of Procedures

Any party who proceeds with the arbitration after knowledge that any provision or requirement of these procedures has not been complied with, and who fails to state objections thereto in writing, shall be deemed to have waived the right to object.

19. Time of Award

The award shall be made promptly by the arbitrator unless otherwise agreed by the parties or specified by law. The arbitrator shall be instructed to make the award within thirty (30) days of the close of the hearing or as soon as possible thereafter.

20. Award

- (a) Form. The award shall be in writing and shall be signed by the arbitrator. If either party requests, the arbitrator shall issue an opinion in writing, which shall set forth in summary form the reasons for the arbitrator's determination. All awards shall be executed in the manner required by law. The award shall be final and binding upon the employee and Travelers, and judicial review shall be limited as provided by law.
- (b) Scope of Relief. The arbitrator shall be governed by applicable federal, state and/or local law. Furthermore, the arbitrator shall be bound by applicable company policies and procedures and shall not have the authority to alter or otherwise modify the parties at will relationship or substitute his or her judgment for the lawful business judgment of company management. The arbitrator shall have the authority to award compensatory damages and injunctive relief to the extent permitted by applicable law. The arbitrator shall not have the authority to award punitive or exemplary damages or attorneys' fees except where expressly provided by applicable statute (e.g., punitive damages under the Civil Rights Act

of 1991). The arbitrator shall not have the authority to make any award that is arbitrary and capricious or to award to Travelers the costs of the arbitration that it is otherwise required to bear under this policy.

21. Delivery of Award to Parties

The parties shall accept as legal delivery of the award the placing of the award or a true copy thereof in the mail addressed to a party or its representative at the last known address via certified mail, return receipt, personal service of the award, or the filing of the award in any manner that is permitted by law.

22. Enforcement

The award of the arbitrator may be enforced under the terms of the Federal Arbitration Act (Title 9 U.S.C.) and/or under the law of any state to the maximum extent possible. If a court determines that the award is not completely enforceable, it shall be enforced and binding on both parties to the maximum extent permitted by law. If any part of this procedure is held to be void or unenforceable, the remainder of the procedure will be enforceable and any part may be severed from the remainder as appropriate.

23. Judicial Proceedings and Exclusion of Liability

- (a) Neither the AAA nor any arbitrator in a proceeding under these procedures is a necessary party in judicial proceedings relating to the arbitration.
- (b) Parties to these procedures shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.

24. Expenses and Fees

Unless otherwise precluded by applicable law, expenses and fees shall be allocated as follows:

- (a) Filing Fees. Travelers shall pay any filing fee required by the AAA.
- (b) Hearing Fees and Arbitrator Fees. Travelers shall pay the hearing fee and arbitrator fee for the hearing.
- (c) Postponement/Cancellation Fees. Postponement and cancellation fees shall be payable, at the discretion of the arbitrator, by the party causing the postponement or cancellation.

- (d) Other Expenses. The expenses of witnesses shall be paid by the party requiring the presence of such witnesses. All other ordinary and reasonable expenses of the arbitration, including hearing room expenses, travel expenses of the arbitrator, AAA representatives, and any witness produced at the arbitrator's direction, shall be paid completely by Travelers Insurance,
- (e) Legal Fees and Expenses. Each side shall pay its own legal fees and expenses subject to Paragraph 20(b) above.

The allocation of expenses as provided for in items (a) through (d) may not be disturbed by the arbitrator except where the arbitrator determines that a party's claims were frivolous or were asserted in bad faith.

25. Serving of Notice

Any parties, notices or process necessary or proper for the initiation or continuation of an arbitration under these procedures; for any court action in connection therewith; or for the entry of judgment on an award made under these procedures may be served on a party by mail addressed to the party or its representative at the last known address or by personal service, in or outside the state where the arbitration is to be held, provided that reasonable opportunity to be heard with regard thereto has been granted to the party. The AAA and the parties may also use facsimile transmission, telex, telegram, or other written forms of electronic communication to give the notices required by these procedures, provided that such notice is confirmed by the telephone or subsequent mailing to all affected parties.

26. Time Period for Arbitration

Any proceeding under this procedure must be brought within the time period provided for within the statute(s) of limitations applicable to the claims asserted by the claimant.

27. Amendment or Termination of Arbitration Policy

Travelers reserves the right to revise, amend, modify or discontinue the Policy at any time in its sole discretion. Such amendments may be made by publishing them in the Employee Handbook or by separate release to employees and shall be effective 30 calendar days after such amendments are provided to employees. Your continuation of employment after receiving such amendments shall be deemed acceptance of the amended terms.

28. Interpretation and Application of Procedure

The arbitrator shall interpret and apply these procedures insofar as they relate to the arbitrator's powers and duties. All other procedures shall be interpreted and applied by the AAA.